



DNI Clapper's As Delivered Remarks at the Business Executives for National Security & INSA Event

Remarks as prepared for delivery by

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Director of National Intelligence**

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Over the past few years, certainly over my tenure as DNI, we've held a very public conversation about our work – the work of the Intelligence Community – and how we should conduct it. I believe, a lot of what has been lost in the public debate about how we conduct intelligence is why we even do intelligence in the first place. Why does any nation-state conduct intelligence?

I've spent a little time and given that some thought. I think in the end, we conduct intelligence, at its most basic level, to reduce uncertainty for our decision makers. It would be great if we could limit that uncertainty, but we're rarely able to do that. So we reduce the amount of uncertainty that decision makers have. That can be the President in the Oval Office or it can be a warfighter – if I can stretch that metaphor – in an oval-shaped foxhole.

We can't eliminate uncertainty for any decision maker, certainly not all the time, but we can provide insight and analysis to help their understanding and to make uncertainty at least manageable, so that our national-security decision makers can make educated choices with an understanding of the risk involved, and how to gauge it, so that we and our friends and allies operate on a shared understanding of the facts and the situation.

That's why, starting after the party conventions and official nominations, we've briefed each of the Presidential and VP candidates, to help reduce uncertainty for our next President, so that he or she steps into the Oval Office he or she will have as good of an understanding of our complex and uncertain world as we can provide.

And hopefully, we'll wake up in 20 days knowing who our next President will be. And when I say "we," I mean the world. In my travels overseas this year, I've been taken aback by the



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intense interest in this campaign. People everywhere hang on every word of the candidates. And by the way, some try to do more than just listen in.

Two weeks ago, DHS Secretary Jeh Johnson and I released a joint statement saying that the recent compromises of emails were directed by the Russian government. The emails released on sites like DCLeaks.com and Wikileaks and by the Guccifer 2.0 online persona are consistent with the methods and motivations of Russian-directed efforts.

Going after U.S. political organizations is a new, aggressive spin on the political cycle. Regardless, this election will happen November 8. And also by the way, we assess it would be very difficult for someone – anyone – to alter actual ballot counts or election results with a cyber intrusion, particularly since voting machines aren't connected to the internet.

Then, on Jan. 20 – in 92 days, but who's counting – we'll have a new President. And the U.S. IC will be heavily involved in making sure that person is informed about our world and hopefully is ready to make decisions. President Johnson once said, "A President's hardest task is not to do what is right, but to know what is right." Having worked closely with – and for – our current President, I can absolutely attest, that's still true. Knowing what is right is the President's hardest task.

The IC can't make that decision for him, and we wouldn't want to. When it comes to national security, it's our job to give him the intelligence he needs, as objectively as we can, to enable him to manage that risk and then ultimately to decide what's right. So our work means a great deal to the person we call, "Intelligence Customer Number One," because at the end of the day – and I've been told this analogy is a little hokey, but it rings true to me – it's up to the President, Congress, and other leaders to decide which way to steer the ship, how fast to go, how many deck chairs to set out and how to arrange them. And we'll be down in the engine room, shoveling intelligence coal and trying to keep the ship running.

This morning, I'd planned to come in and tell some war stories, reminisce with Norty [Gen. Schwartz] a bit and get off the stage. But today's theme shifted a bit, to talking about how we should do things differently. So instead of telling some of my stories, I want to talk about the story of the Intelligence Community, and to talk a bit about how change happens in this great city.

As you all know, Washington is a particularly interesting place these days. It's a place where friends come and go, but enemies accumulate. It's a place where, if you want a friend, buy a dog – a great Harry Truman line.



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Washington is a place where people think differently, and where we find it hard to learn from our mistakes. Ancient tribal wisdom says: "When you're riding a dead horse, the best strategy is to dismount." Well here in Washington, we often try other strategies that are less successful, such as:

- We buy a stronger whip for the dead horse.
- We change riders.
- We say things like, "This is the way we've always ridden this horse."
- We appoint a committee to study the horse.
- We lower the standards so that more dead horses can be included.
- We appoint a Tiger Team to revive the dead horse.
- We hire outside contractors to ride the dead horse.
- We harness several dead horses together – to increase speed.
- We attempt to mount multiple dead horses, in hopes that one of them will spring to life.
- We provide additional funding and training to increase the dead horse's performance.
- We do a productivity study to see if lighter riders would improve the dead horse's performance.
- We declare that since a dead horse doesn't have to be fed, it's less costly, carries lower overhead, and therefore contributes more to the mission than live horses.
- And last but not least, my favorite, we'll promote the dead horse to a supervisory position.

[Laughter]

All to say, we appreciate outside perspectives from people who have the intellectual integrity and courage to recognize that dead horses don't go anywhere.



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Now, I've been using that bit for going on six years now, and it's intended humorously, but there's a lot of truth to it, but it's also deceptive. Because sometimes it looks like we're doing nothing but flogging dead horses and getting nowhere with intelligence reform, when really, we're making progress. Although a lot of times, it feels like we're dragging those "multiple dead horses" behind us.

I can look back 53 years in this business to the day when I first started, when there wasn't such thing as an Intelligence Community. And most people here probably remember back before 9/11, when "Intelligence Community" was a phrase you only uttered with your tongue in your cheek.

In June of 2004, the 9/11 Commission released its report on the terrorist attacks. I know most everyone here has read the 9/11 Commission Report, but it's worth reading again when you get a chance. It opens with people going to work in New York and Arlington, and with Mohamed Atta and his terror cell getting on a plane in Portland, Maine. It tells what happened that day and how we responded, and it analyzes the missed opportunities that we had to perhaps keep the terrorist attacks from happening.

The commissioners graphically describe the summer before the attacks with the phrase, "the system was blinking red." I'll read a passage that I think nails the problems we had with intelligence. The Commissioners wrote:

The agencies cooperated, some of the time, but even such cooperation as there was is not the same as joint action. When agencies cooperate, one defines the problem and seeks help with it. When they act jointly, the problem and options for action are defined differently from the start. Individuals from different backgrounds come together in analyzing a case and planning how to manage it.

Of course, intelligence integration – which has been my shtick, my mantra for the past six years I've been DNI – is the prerequisite to reaching the 9/11 Commission's goal that we act jointly.

In the summer and fall of 2004, the 9/11 Commission Report weighed heavily on discussions of the state of the U.S. Intelligence Community, along with the fact that, nearly a year-and-a-half after the fall of Baghdad, people were asking why we still hadn't found any weapons of mass destruction in Iraq, which we were sure were there.

With that backdrop, Congress, working with the White House and executive departments, began to sort through what statutory changes the IC needed. And so, in December 2004 – much to the great credit of Senators Lieberman and Collins – Congress passed the Intelligence Reform and



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Terrorism Prevention Act, and the President signed it into law on the seventeenth of December, 2004

To be sure, IRTPA – and no one knows this better than I – like all major legislation, is seriously flawed. Actually, it overachieves at being flawed. But it codified intelligence reforms, and established in statute the Office of the DNI, which stood up in April 2005.

So for the past decade-or-so, the IC has chartered the course of integration, with the 9/11 Commission Report as the compass, and IRTPA as the map. We've come a long way since then, meeting almost all of the recommendations of the 9/11 Commission, at least, what we could within the authorities are granted under that law.

It took some time, and this is an evolving process, always seeking to improve along the lines of what Norty said, so we're still shaping, still molding what intelligence integration is all about. 12 years ago as Congress was debating IRTPA, there was a lot of hand wringing that a DNI would first make a bit land grab and second try to make all the agencies look the same.

But, the DNI's job – at least as I perceive it, and I think in some ways this is more important than my job as the President's senior intelligence advisor, by the way not the exclusive advisor, or my job as manager of the National Intelligence Program – is to get each of the agencies to know what their great strengths are and what the great strengths of the other 16 agencies are, so that we can take advantage of each of those complimentary strengths are, orchestrate them, and work together to meet our incredibly hard and incredibly important national security mission.

That's why I've stuck with the theme – that's my story and I'm sticking to it – of "intelligence integration" for the past six-plus years. And it's my hope that integration will become so ingrained in the culture of the IC that when my successor comes on, he or she won't have to talk about integration. It'll just be the default.

That's been the IC's story of the past 15 years. Intelligence reform has happened, bit by bit, enabled by changes to the law and driven by the amazing intelligence professionals who got up on the morning of Sept. 12 and went to work to figure out what went wrong and how to keep it from ever happening again, and of course by the patriotic men and women who have joined us since then. It occurred to me recently that we have IC employees who were only six or seven years old when we were attacked on 9/11. So there are people working for us who only have a vague memory of that day.

So that brings me to some of the topics on the table for discussion here later today, changes we might think about going forward, particularly relating to cyber and to the domestic terrorism



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threat. Taken all together, there is an incredibly complex array of threats out there, particularly in the cyber domain, because criminals and “hacktivist” collectives like Anonymous, are all thrown in together with aggressors like North Korea and Iran, and with the Russians and Chinese, who are more sophisticated and could do real damage if they are so inclined, and with terrorist groups who continue to experiment with hacking.

Each of those actors has different capabilities and different objectives when they conduct operations in Cyberspace. And all of them operate on the same Internet. Sometimes all this makes me long for the halcyon days of the Cold War, when the world essentially had two large, mutually-exclusive telecommunications networks. One belonged to the United States, dominated by the United States and our Allies, and the other dominated by the Soviet Union and theirs. So we could be reasonably sure that if we were listening to someone on the Soviet network, that person was probably not going to be a U.S. citizen. Today, that’s not the case, and it makes our work exponentially harder.

And when it comes to groups like ISIS – Daesh – the real problem isn’t their “cyber hacking” capability. It’s how the internet enables them to recruit and inspire people all over the world. We can monitor and maybe even infiltrate terrorist groups, but it’s very difficult – likely impossible – to expunge the internet of their ideology and their toxic ideas. Preventing the spread of dangerous ideas just wasn’t a consideration as the internet grew up and became functional.

And knowing what’s going on inside the heads of people who read extremist propaganda would require, frankly, talents beyond that of our great intelligence analysts. It’s more like clairvoyance.

And when it comes to protecting the nation, we also need to factor in the civil liberties and privacy of Americans. I’ve witnessed a lot of teeth gnashing about people committing acts of terror whom the FBI had previously investigated – and cleared. I think FBI Director Comey precisely described the problem with his analogy that we aren’t expected to just find a needle in a haystack, but are also held to account for guessing which pieces of hay may later become needles.

And we cannot continuously monitor Americans who have done no wrong. That’s not who we are. So, domestic security, particularly in the CT realm, is a difficult problem. And better integration of our intelligence, law enforcement, and homeland security communities is critical to our national security. And that too is a work in progress, and that too will continue until well after I’m ensconced in assisted living.

I think it’s also important to recognize we’re doing hard, grinding work in this space that



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doesn't necessarily show itself in dramatic flourishes, but rather in real, gradual, incremental progress as trusted relationships are grown, as systems and processes improve, and as integration takes over the culture.

That's why we created the Domestic DNI Representative program, initially was run as a year-and-a-half pilot run in four cities, modeled after DNI Reps overseas. The pilot had a positive impact on intelligence sharing with state and local officials. So we designated FBI Senior Field Executives in 12 locations around the United States. And those domestic DNI reps have made great improvements, by leading efforts to integrate and coordinate IC teams throughout their respective AORs.

The program isn't perfect, and is continuing to mature, but it's doing good things, and it shows how we're shifting focus onto domestic intelligence coordination, particularly with the counterterrorism mission. This is something we'll need to continue to get better at, because the terrorism problem isn't going to go away, and it's going to continue to morph and transform, and we need to continue to stay up with it or stay ahead of it if we can. It has metastasized, with ISIL and AQ affiliates.

Global trends are driving the threat to be even more diverse and diffuse. And one mega-trend that's making this worse is what I've called – in Congress and at the White House – “unpredictable instability.”

About two-thirds of the nations around the world are at some risk of instability right now, that is, they exhibit some characteristic of instability. But, we can't predict which specific government will collapse next or when that will happen. That's why it's “unpredictable.” And it's something the whole world is dealing with now.

From my world travels – just in the past six months or so – I've observed that many, many nations are just now starting that growth curve of intelligence integration we've been working at for the past decade-and-a-half, and many are far behind where we are, and they realize that. And IC professionals get up every morning, go to work, and we get better.

But there are limits to what we can do, bound by the realities of our authorities and bound by the realities of the resources that we're allocated. And a lot of the “obvious solutions” ignore or underestimate the necessarily complex legal and political landscape that we live and work in. We live in a federal system of government. The states have a lot of autonomy, and they should. Each state has a bewildering array of local structures, priorities, and sensitivities. And across the nation, there are more than 18,000 law enforcement agencies and departments.



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The DNI and the IC operate within carefully defined and limited authorities, particularly within the domestic sphere. And we vigilantly limit how our national intelligence agencies operate inside the United States. There's a footnote of history that perfectly sums up that balance. The 9/11 Commission actually recommended that the national intelligence leaders, which became the DNI, have statutory domestic authority. That recommendation did not make it into IRTPA.

So, for the DNI or the IC to take a more authoritative role in domestic security or to create an intelligence structure or organization with that focus, I believe would require new legislation or certainly authorization, specifically assigning that authority, which would – by necessity – come from a national referendum and overwhelming public support.

I'll tell you, particularly over the past three years or so, I haven't read a single press article and I haven't gotten any fan letter that says, "James Clapper should be given more authority and more capability to monitor what's happening inside the United States." And if someone did suggest it, I don't think I'd support it.

I've been in this business over half-a-century. And I've seen what it's like in nations where intelligence agencies do have a domestic component. That's not us. That's not who we are. We're not Iran. We're not North Korea. We're not the Soviet Union. We're the greatest free nation on earth. And the way to face unpredictable instability, the way to face the domestic terrorist threat, the way to face extremists and self-radicalized individuals determined to lash out and do harm isn't to be afraid, to give in and let our values and the principles that make our nation great be compromised.

We get better by valuing our differences, and if that means getting 18,000 law enforcement agencies to respect what each is best at and bring their strengths to the table, we'll help do that.

I want to leave you with one other thought before we have a dialogue up here. With this upcoming Presidential transition – which is on nobody's mind – after an election cycle that – certainly for us – has been "sportier" than what's typical, and seems to be getting "sportier" every day, a lot of people out there are nervous about what will happen, and understandably so.

So the message I've been speaking out about, which did at the AFCEA & INSA summit this summer, is – it'll be okay. Because, in contrast to any uncertainty surrounding an election and transition to the next administration, one constant in national security is the people of the Intelligence Community. Because of our mission and our professionalism, today's IC represents a pillar of stability during such a transition.



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And – it will be okay – because of our partnerships, with defense, with law enforcement, with homeland security, and with the private sector. And those of you from the private sector bring unique perspectives on our threats, our equities, and the ways we can work together to do better.

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